2008-00312/

Department of Finance

News Release

Immediate release

Ottawa, November 23, 2007
2007-090

Release of *The Fiscal Monitor*

The Honourable Jim Flaherty, Minister of Finance, today released *The Fiscal Monitor* for September 2007.

Highlights

September 2007: budgetary surplus of $0.7 billion

There was a budgetary surplus of $0.7 billion in September 2007, compared to a $1.3-billion deficit recorded in September 2006. Budgetary revenues were up $2.6 billion, or 15.0 per cent, due primarily to strong growth in income tax and non-tax revenues. Program expenses increased by $0.8 billion, or 5.2 per cent, reflecting increases in transfer payments. Public debt charges decreased by $0.2 billion.

April to September 2007: budgetary surplus of $9.3 billion

For the first six months of the 2007–08 fiscal year, the budgetary surplus is estimated at $9.3 billion, up $3.4 billion from the $5.9-billion surplus reported in the same period of 2006–07. Budgetary revenues increased by $8.5 billion, or 7.7 per cent, reflecting growth across all income streams, particularly income tax and non-tax revenues. Program expenses were up $5.2 billion, or 6.0 per cent, due to higher transfer payments and operating expenses of departments and agencies. Public debt charges were down $0.2 billion.

The monthly results through September do not reflect the $4.8 billion in tax cuts announced in the October 30, 2007 Economic Statement that will take effect in 2007–08. These will be reflected over the remainder of the fiscal year. Specifically, measures retroactive to January 2007 (the reduction of the lowest personal income tax rate from 15.5 per cent to 15 per cent and the increase in the basic personal amount to $9,600) will be reflected beginning with the October 2007 *Fiscal Monitor*.

The Fiscal Monitor is a monthly document that provides highlights of the federal government's fiscal performance, including monthly revenues, expenses, the budgetary balance and the financial source/requirement.

For further information, media may contact:

Chisholm Pothier
Press Secretary
Office of the Minister of Finance
613-996-7861

David Gamble
Media Relations
Department of Finance
613-996-8080

www.fin.gc.ca

If you would like to receive automatic e-mail notification of all news releases, please visit the Department of Finance website at www.fin.gc.ca/scripts/register_e.asp